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RECORD OF ORAL HEARING

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex Parte KAZUNORI UKIGAWA and HIROKI YAMASHITA

Appeal 2009-007620
Application 09/775,591
Technology Center 3600

Oral Hearing Held: November 5, 2009

Before KENNETH W. HAIRSTON, HUBERT C. LORIN, and ANTON W. FETTING, *Administrative Patent Judges*.

ON BEHALF OF THE APPELLANTS:

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The above-entitled matter came on for hearing Thursday, November 09, commencing at 10:00 a.m., at The U.S. Patent and Trademark Office, 600 Dulany Street, Alexandria, Virginia, before Victor Lindsay, Esq. Public.

PROCEEDINGS

1 THE USHER: Good morning, Calendar No. 32, Mr. Crenshaw.

2 JUDGE HAIRSTON: Okay.

3 MR. CRENSHAW: Good morning.

4 JUDGE HAIRSTON: Good morning. Could you spell your last
5 name for the record?

6 MR. CRENSHAW: C-r-e-n-s-h-a-w.

7 JUDGE HAIRSTON: You may begin.

8 MR. CRENSHAW: May it please the Board, my name is Diallo
9 Crenshaw. I'm here at the oral hearing for case 09/775,591, which you
10 already know, attorney Docket No. Q62966.

11 What I'm going to attempt to argue today on behalf of the Appellant is
12 three things in particular, and that's that the structural differences between
13 the references that were applied against certain claims, claims 1, 2, 5, 6, 12,
14 13, 16, 20, and 23, they would not have been able to have been combined,
15 technically combined. Secondly, I'm going to argue that the systems
16 disclosed in Koreeda and O'Leary, even if combined, would not have
17 resulted in the claimed invention. And, thirdly, I'm going to argue that the
18 absence of ID information in the manner claimed, and that's of particular
19 importance, precludes a *prima facie* case of obviousness.

20 Now, first, as a point of overview, there are particular features of the
21 independent claim, in particular, independent claim 1, I'll use that as a
22 representative claim. And the particular limitations that will be the focus of
23 the distinctions Appellant is trying to make. And that's the user information
24 storage means and its attendant features, I won't go through all of those, user
25 information extraction means, second purchase instructions sending means,

1 and their attendant features, and also the settlement requesting means. And
2 I'll get into the particular aspects of those limitations, which Appellant
3 believes are distinguishable over the applied references.

4 First, as an overview of Koreeda and O'Leary, and getting into what
5 Appellants believe are the structural differences, looking at Koreeda, maybe
6 in particular, the Figure 1 of Koreeda reference -- I'll briefly go through this,
7 because presumably you've looked at this some -- you have a user system
8 five that connects the shopping malls. It's an on-line shopping network, via
9 one network, connecting to these malls, and determining what products are
10 going to be purchased.

11 Separately, you have this user system five, again, in a separate
12 communication and a separate network, communicating -- once the product
13 is determined to be purchased, a separate network is invoked, or
14 communication with that network, to essentially settle, or establish the
15 means by which the payment can be made for the item that it was purchased
16 via the first network for.

17 Now, so just quickly, in Koreeda, you have two separate systems
18 which are required, and there is no user ID information, which will become
19 more relevant as I continue. But there is no user ID information, as a data
20 separate from personal data, that is sent from the user system five to this
21 service center seven.

22 JUDGE HAIRSTON: Why can't that personal data be used as ID
23 data?

24 MR. CRENSHAW: Well, in this case, the service center is just used
25 to settle -- to just determine a settlement means.

1 Now, it's not just the user ID information, but its user ID information
2 in addition to, coupled with, looking at the claim language, product
3 information for purchasing a product that is sent in the claim language from
4 a user device.

5 JUDGE HAIRSTON: Well, you look at column 5, line 52, roughly, it
6 says the service center receives the order data, the product data, and the
7 personal data and payment settlement data. So, that's the product data and
8 personal data. Can't that personal data be ID data coupled with product
9 data?

10 MR. CRENSHAW: Well, that personal data, it's Appellants'
11 contention that's not ID, that's not a user ID, *per se*, and that's not a user ID,
12 the data, that personal data that's being sent there to the service center.

13 Now, in O'Leary, we have a different system of communication. We
14 have a communication that involves a single path. That is, looking at, for
15 example, Figure 2 of O'Leary, we have a path between a merchant and a
16 user, and what's invoked here is what -- just to sort of encapsulate the
17 invention of O'Leary -- it's a virtual wallet that's invoked by a user to
18 basically certify that means -- that -- certify that there are payments means
19 that can be used, and that wallet is invoked, for example, when a browser is
20 initiated. So the browser can then be initiated, and then a wallet comes into
21 play, the virtual wallet, and that can be used without a preexisting
22 relationship with any particular merchant.

23 So, the -- one of the differences that is being submitted by the
24 Appellants is that, as pointed out earlier, the Koreeda reference has two
25 separate networks involved in the system of Koreeda. Whereas, differently,
26 looking at O'Leary, it's a simple, single, line of communication between a

1 merchant and a user, which is different from that which is disclosed in
2 Koreeda, by way of a virtual wallet.

3 So, these fundamental -- this, among others which I'll get into, this
4 fundamental difference in structure between Koreeda and O'Leary, it's
5 submitted that would preclude their technical combination.

6 As the Examiner attempts to allege that the wallet, the virtual wallet,
7 if you will, of O'Leary would satisfy the service center -- could be placed in
8 the stead of the service center in Koreeda, however, the very functional
9 aspects of these two different references would not be able to be technically
10 combined such that the Examiner can simply say I'll plug the virtual wallet
11 in the service center, and it would work.

12 JUDGE HAIRSTON: No, he's not really saying -- he's not talking
13 about bodily incorporation under In re Keller. He's talking about hey, I
14 would use that memory as storage mans from O'Leary and use an O'Leary-
15 type storage means in Koreeda. If you look on page 8 of the answer, he says
16 "If I do that, I'll allow for minimal, repeated user entry of information, for
17 example, personal data that Koreeda is sending every time he makes a
18 purchase." He's saying why not just store that -- I think that's what he's
19 saying -- why not just store that personal data, so I don't have to send it
20 every time I make a purchase?

21 MR. CRENSHAW: Right. My -- Appellants' understanding of
22 O'Leary and the way it -- first of all, any user ID used in O'Leary would be
23 simply for a certification of payment. It's not with respect to a particular
24 product that's purchased. As I mentioned previously, there's no preexisting
25 relationship that needs to occur between the user in O'Leary and a particular
26 merchant. So, any storage means that are in the invention of O'Leary would

1 not be for the purpose of receiving a first-purchase instruction, coupled with
2 a user ID. It's a distinction. It's a subtle distinction there, but I think it's
3 fairly clear in terms of these inventions not being able to be combined.

4 JUDGE HAIRSTON: But I think --

5 MR. CRENSHAW: But I don't know if I answered your question.

6 JUDGE HAIRSTON: -- The Examiner is looking at column 5 of
7 O'Leary, where he's saying why do we keep filling out all of this information
8 every time I make a purchase? If I store it in the wallet, I don't have to pull
9 it up every time I make a purchase, for example, my personal information,
10 ID information.

11 MR. CRENSHAW: Right. That's another function of O'Leary. It
12 provides the ability to populate forms. For example, if O'Leary is initiated,
13 invoked, when a browser is opened, for example, it can use existing
14 information in the storage means, that you pointed out of O'Leary, to
15 populate forms at a merchant site. However, a particular product -- a first-
16 purchase instruction would not be sent from a user system or a user in
17 O'Leary for the purpose of that purchase being -- that first-purchase
18 instruction being sent, along with an ID, for the purpose of effectuating the
19 transaction in O'Leary.

20 What O'Leary does, is it simply has a wallet that's invoked. It has this
21 information that's been prestored therein, and it is used to determine, do I
22 have the funds, approve the funds, and but there's no -- there's not
23 necessarily a first-purchase instruction that's sent from a user and that
24 instruction for purchasing a product reading from the claim.

25 JUDGE HAIRSTON: But Koreeda has that. Koreeda has that.

26 MR. CRENSHAW: What's that?

1 JUDGE HAIRSTON: Koreeda has that first-purchase instruction, as I
2 read in column 5, line 52, roughly, the service center receives the order data
3 of the product, that's your product, your first purchase, your -- what you're
4 saying is there is information -- well, it's hard to explain. Koreeda stores
5 information, right? It has storage already.

6 MR. CRENSHAW: In which of the systems in --

7 JUDGE HAIRSTON: Koreeda's systems has a memory, as a storage
8 system, because when you send the personal data and the product data to the
9 service center, it holds that data while it waits for the accounting system, the
10 account approval center, to approve the purchase, right? So it already has to
11 have the storage in it.

12 MR. CRENSHAW: Yeah, the service center -- okay. So you're
13 saying the service center has storage and as it waits for approval?

14 JUDGE HAIRSTON: Right.

15 MR. CRENSHAW: Okay.

16 JUDGE HAIRSTON: I mean, if you look at column 5, lines
17 52 to 60 -- column 5, line 52 --

18 MR. CRENSHAW: Yes.

19 JUDGE HAIRSTON: -- it says the service center receives the order
20 data of the product, the personal data and the payment settlement data -- I
21 guess that's credit card information -- from the user. The service center
22 sends the payment data -- the settlement data, I guess the credit card data, to
23 the approval center, which he says is a credit card company, and when an
24 approval has been given by the approval center, the service center sends the
25 product data -- the personal data for the product delivery to the shopping

1 center. So, it obviously holds it in abeyance in some kind of temporary
2 storage, I guess, already, right?

3 MR. CRENSHAW: It may, but the --

4 JUDGE HAIRSTON: Buffers it or something. It has to. It holds it
5 temporarily.

6 MR. CRENSHAW: Right. But going back to a previous point, that
7 personal data is not user ID data. Appellants submit that personal data --

8 JUDGE HAIRSTON: What is -- what specifically is user ID data?
9 Where in the spec do you spell out what exactly personal -- this ID data is?

10 MR. CRENSHAW: Well, it's in the specification. Now, as -- I don't
11 have specific -- in my notes, specific locations, and I could certainly follow
12 up with you, with that information, and I could delve into the specification,
13 but -- if you will indulge me -- but, essentially, the ID information is
14 identification information to -- that is used to identify the particular user in
15 this case.

16 This personal data -- it is Appellants' contention that the personal data
17 is something separate, when you're talking about sending a first-purchase
18 instruction as user ID data, so --

19 JUDGE HAIRSTON: On page 26, for example, line 12, it says "A
20 user ID is used for identifying the user." How does that differ from just
21 personal data?

22 MR. CRENSHAW: Well, when you --

23 JUDGE HAIRSTON: It's pretty broad.

24 MR. CRENSHAW: Well, when coupled with the particular
25 limitations we're talking about, including those of the user device and the
26 agent device, it's the Appellants' submission that when you look at those

1 features in totality, and not just isolated -- we acknowledge that O'Leary
2 discloses certification -- we acknowledge that there's personal data. But
3 there's a difference in how these are used with the claim language.

4 Now, going back to the initial point, it was that the -- first of all,
5 they're technically uncombinable. That was -- that's the overarching point of
6 Appellants. And, secondly, even if they were combined, it is the point that
7 I -- we were discussing just now.

8 So, if we get past that, which Appellants submit it should not be -- that
9 threshold cannot be surpassed. But if it is surpassed, then based on the
10 discussion we're having, the totality of the limitations do not render -- do not
11 meet all the limitations of this claim, claim 1, for example.

12 Now -- and the Examiner acknowledges during the prosecution that
13 certain features of the agent device are not satisfied. The Examiner, of
14 course, he invokes O'Leary to satisfy some of these distinctions. But, as
15 mentioned in the Brief and what I tried to touch upon here, the specific
16 technical aspects of combining Koreeda with O'Leary would not result in a
17 functioning invention, and in fact, are architecturally incompatible.

18 Now -- let me check my time -- I think I've covered the particular reasons
19 why these inventions are incompatible.

20 Now, going to the Examiner's response to Appellants' submission of
21 why the inventions are technically incompatible. Looking at the Examiner's
22 answer, it appears -- it is apparent that there were some deficiencies, just
23 based on some of the responses of the Examiner. Okay, first of all, the
24 Examiner states that -- as I mentioned before, that the O'Leary reference
25 could be substituted in the service center. Now, looking at the arguments
26 with respect to O'Leary, there does not have to be a preexisting relationship

1 between a customer and a merchant in O'Leary, which is very different, as I
2 touched upon before, than what is going on in the invention of Koreeda.

3 The O'Leary reference, it teaches -- is providing a user with real-time
4 purchase and payment ability when the user is attempting to make a
5 purchase via a merchant website. But you have -- the distinction there is its
6 real time. The wallet has already been invoked upon initiation of a browser.

7 Now, in Koreeda, very differently, the shopping malls, the on-line
8 shopping malls, they have been accessed. A product has been determined,
9 and then, differently, a settlement transaction is communicated via separate
10 network. O'Leary, just plugging O'Leary into this invention is not
11 compatible in Appellants' opinion. O'Leary just presents a portal between a
12 merchant and a user.

13 Another deficiency, Appellants submit, in the Examiner's response
14 and Examiner's Answer, the Examiner attempts to make the case that, for
15 example, Koreeda discloses a single network, and he cites, for example, a
16 particular column, column 3, lines 40 through 59 of Koreeda. Now, those
17 particular citations of the Examiner are simply a preamble in the summary of
18 the invention section of Koreeda, and they talk -- it's in the preamble of a
19 potential claim because it's just a summary section. So, they're talking -- the
20 citation is talking generally about a particular payment settlement method
21 that may include a store system, a user system, a credit card company
22 system, and, separately, a service center. The Examiner construes that
23 particular limitation -- or that particular recitation as meaning that they're all
24 -- that Koreeda only -- is only working in a single network. When, in
25 particular, that recitation is only -- it's talking about the service system
26 existing among these other systems. So, there are potentially other networks

1 involved. It's not trying to indicate that there is only a single system
2 involved in Koreeda. So, that's another deficiency of the Examiner's answer
3 in the Appellants' opinion.

4 Now, another deficiency is where the Examiner talks about O'Leary.
5 The Examiner attempts to indicate that O'Leary is devoted to a system that's
6 not a single-path system. The Examiner points out a particular recitation of
7 O'Leary, column 9, lines 49 through 61. And in that particular recitation,
8 Appellants construe it to state that not only the Internet can be used as a
9 communication path between the merchant and the user, but a separate dial-
10 up line or a third-party private network.

11 So, these mentioning of other possible connections between a user and
12 a merchant are used by the Examiner to indicate that there are separate --
13 that there are multiple paths of communication between a user and a
14 merchant, which is inaccurate in the Appellants' opinion. And I think it's
15 clear on its face that there's only one line of communication between the
16 merchant and the user in O'Leary and going back to the initial point that
17 these inventions cannot be combined or are incompatible.

18 I'll check my time --I don't -- it appears that I may have run out of
19 time. Is my watch accurate? It appears that --

20 JUDGE HAIRSTON: Yeah. You're a little over.

21 MR. CRENSHAW: I'm a little over?

22 JUDGE HAIRSTON: Do you mind summing up?

23 MR. CRENSHAW: Yes. In conclusion, Appellants submit that the
24 references, Koreeda and O'Leary, do not teach or suggest the features
25 because they cannot be combined, and even if combined, it would not result
26 in the claimed invention. The dependent claims are patentable by their

1 dependencies. Other independent claims that were not discussed are
2 patentable based on reasons similar and for reasons set forth in the Appeal
3 Brief. Thank you.

4 JUDGE HAIRSTON: Okay. Thank you.

5 (Whereupon, the proceedings, at 10:23, were concluded.)